

Land Use and Economic Development Element

The South Lewis County Subarea is large and diverse. The Subarea is approximately 105 square miles, or 67,690 acres, in size. The land use in the area ranges from urban residential and commercial development in the cities to large lot (1 square mile) forestlands in the rural areas. There are 7,303 parcels in the Subarea with an average parcel size of almost 8 acres and a median parcel size of approximately 3 acres. Approximately 4,350 of the parcels, or 57%, are developed with a structure, while the remaining 43% are vacant. The Subarea had an estimated 2008 population of 9,450, which results in an overall density of 90 people per square mile or 0.14 people per acre.

Current Land Use

According to the Lewis County Assessor's records, the majority of the land in the South County Subarea is devoted to forestry (42%) and agriculture (26%). Approximately 28% of the land is either used for residential or is undivided residential land. The remaining uses (park/recreation, services, open space, transportation, manufacturing, retail, and other uses) account for only 4% of the land use in the South County Subarea. These current uses do not necessarily reflect Comprehensive Plan Land Use designations or current zoning.

Lewis County Comprehensive Plan and Zoning

The Lewis County Comprehensive Plan was approved in 1999, amended in 2002, and is currently being updated. The Cities of Toledo, Vader, and Winlock regulate development within their city limits. In some instances, a city's Urban Growth Area (UGA) extends beyond the city's limits, placing portions of the UGA under County jurisdiction; development within these areas is regulated by Lewis County Code Chapter 17.15 wherein the County has adopted the city's comprehensive plan and development regulations either by reference or by inter-local agreement. This ensures consistency between the City and County portions of the UGA.

The Lewis County Comprehensive Plan provides the policy basis for land use and development in rural areas. The Comprehensive Plan identifies different rural area development guidelines for each Comprehensive Plan designation.

The current zoning in the South County Subarea is a mix of mostly rural zones. Cities, their UGAs, and County UGAs make up just over 5% of the Subarea. The Rural Development District (RDD) zones (5 acre, 10 acre, and 20 acre) make up almost 80% of the Subarea. The remaining zones make up approximately 15% of the Subarea (Refer to Table 4.1).

Table 4.1: Current Subarea Zoning for Lewis County

ZONE	Area (Acres)	% of Subarea
ARL (Agriculture)	16,471	24.3%
CC	34	0.1%
City	1,662	2.5%
FC	203	0.3%
Forest	3,976	5.9%
Mine	612	0.9%
Park	635	0.9%
RAI	282	0.4%
RDD-10	8,701	12.9%
RDD-20	24,900	36.8%
RDD-5	8,249	12.2%
UGA - Cities	1,862	2.8%
UGA - County	104	0.2%
Total Subarea	67,691	100.00%

Zone Descriptions

Agricultural Resource Lands (ARL) – The ARL zone includes lands primarily devoted to agriculture that have long term commercial significance for agricultural production (WAC 365-196-200).

Crossroads Commercial (CC) – The CC zone includes areas that have historically provided rural commercial services, including retail sales of convenience goods and services, for rural residents.

City – These areas are within the city limits of Toledo, Vader, and Winlock. The zoning is administered by the cities. See the city description below for more detailed information on zones in each of the cities.

Forest – Forest lands are lands primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for such production (WAC 365-196-200)

Freeway Commercial (FC) – The FC zone includes areas which promote services to the traveling public, convenient access to major transportation routes, and provide areas for new commercial development.

Mine – The Mine zone designates mineral resource lands of long-term commercial significance.

Park – The Park zone designates County land for recreational uses.

Rural Area Industrial (RAI) – RAI zone includes areas where industrial activities have existed historically and are planned for future activity. This zone should not create a need for urban services or lead to urban development in rural areas.

Rural Development Districts (RDD) –RDDs include areas not otherwise designated for other uses. Specific RDDs designate density of one dwelling unit per five, ten, or twenty acres. RDDs preserve the rural character of the County, allow for a variety of rural residential densities, and protect small rural businesses.

UGA, “Cities” – UGAs are areas where growth should be focused. UGAs include areas of incorporated city limits as well as areas of unincorporated county land adjacent to the city limits. The unincorporated portions of the UGA are designated for urban growth and regulated via city-county interlocal agreements (which provide for zoning and permitting); ultimately these unincorporated areas will be annexed into the cities. However, references to City UGAs include all the incorporated (city) and unincorporated (county) land within the UGA boundary.

UGA, “County” – These areas are designated for urban growth which are not associated with or adjacent to a specific city. These areas include fully contained communities, master planned resorts, and major industrial developments.

City Land Use

Toledo

According to the 2005 Toledo Comprehensive Plan update, almost the entire City of Toledo and its unincorporated UGA is zoned for residential use (96%), with the remaining area zoned for commercial use. There are 275 acres in Toledo and its unincorporated UGA (not including right-of-way). According to the Lewis County Assessor’s data, the current land uses in Toledo’s UGA are as follows: 38% public/quasi-public, 31% residential, 17% agriculture, 8% vacant, 4% commercial/retail, and 2% transportation/utilities.

Vader

There are approximately 982 acres in Vader and its unincorporated UGA (collectively called the Vader UGA). The Comprehensive Plan update in 2005 identified the zoning breakdown in the Vader UGA. There are 785 acres of residential (80%), 109 acres of commercial/mixed use (11%), 57 acres of community services (6%), and 32 acres of industrial (3%). According to the Lewis County Assessor’s data, the City’s current land uses are as follows: 42% residential, 42% vacant residential, 10% agriculture, 2% transportation and utilities, 2% commercial, and 2% public/parks & recreation.

Winlock

The City of Winlock and its unincorporated UGA (the Winlock UGA) is approximately 2,190 acres in size. The 2009 Winlock Zoning Map identifies the following breakdown of zoning within the UGA: 1,015 acres residential (46%), 610 acres industrial (13%), 276 acre mixed use (13%), 185 acres commercial (8%), and 105 acres public facilities (5%). According to the Lewis County Assessor’s data, the Winlock UGA’s current land uses are as follows: 31% agriculture, 24% residential, 19% mining/forestry, 10% undeveloped/vacant, 5% public/quasi-public, 2% commercial, 2% industrial, 1% transportation/utilities, and 8% other.

Development Suitability Analysis

During the early phases of subarea planning, GIS parcel data was analyzed to assess development suitability for future non residential development based on the following factors:

- distance from I-5 and major arterials
- location within UGAs
- location adjacent to railroad
- parcel size
- availability of water/sewer services
- ratio of improvement values to land values

Each factor was assigned a rating scale, and each analyzed parcel was assigned a value based on how well it fit the rating scale. According to this analysis, the parcels with the highest total values are considered the ones most suitable for future development. This in turn led to the identification of the areas within the Subarea most likely suitable for development. These include: the intersection of SR 505 and I-5; the intersection of US 12 and I-5; and the UGAs of Toledo, Vader, and Winlock; additional areas along the I-5 and railroad corridors; and a few large parcels scattered throughout the Subarea that are near major arterials. The parcels most suitable for future development are shown on the Development Suitability Map in Figure 4.1.

Related Studies and Plans

Phase One South County Subarea Plan

During the 2009 Phase One process, existing conditions in South County were collected and documented. The Steering Committee developed a vision of the South County and principles to guide the subarea planning process. A market analysis and transportation analysis were done simultaneously and helped to inform phase one decisions. However, neither the environmental analysis nor the transportation plan was completed prior to the publication of the phase one plan. Additionally, the adoption of the designation of Agricultural Resource Lands was made after publication of the phase one plan.

Market Analysis

The South Lewis County Regional Market Analysis was prepared by E.D. Hovee & Company as part of this subarea planning effort. The study estimates the demand for particular land uses and is the basis on which this subarea plan is predicated.

Watershed Plan

The Grays-Elochoman and Cowlitz Watershed Management Plan for Watershed Resource Inventory Areas 25 and 26 was adopted by the Planning Unit in 2006. The planning unit is a group made up of Lewis, Wahkiakum, Cowlitz and Skamania County Commissioners and a broad range of water use interests. The State Department of Ecology uses this plan as the framework for making future water resource decisions in the Cowlitz watershed.

Environmental Analysis

The Washington Department of Fish and Wildlife (WDFW) and Washington Department of Ecology were consulted to analyze habitats and ecosystems, respectively, throughout the South Lewis County Subarea. These analyses provided information on natural systems and allowed the subarea plan to accommodate growth while avoiding unintended consequences, such as loss of local biodiversity or increased flooding. The information has also helped identify priority areas for protection, conservation or restoration.

Transportation Plan

Pertteet Engineering and Cook Engineering and Development Services prepared the South Lewis County Subarea Transportation Plan for the County. Portions of that study are reflected in the Transportation chapter of this subarea plan.

Airport Master Plan

The Lewis County Community Development Department is preparing a Master Plan for the Toledo-Winlock Ed Carlson Memorial Field.

Economic Profile

In South County, there are only 2,600 jobs (7% of the County's jobs) which are half of the jobs that would be expected based on the population (14% of the County's population). The largest employment sectors in the Subarea are finance, insurance, real estate, and services (FIRES) with nearly 900 workers (33%) and agriculture with 600 jobs (24%). The other employment sectors in the Subarea include retail (14%), education (11%), manufacturing (10%), wholesale trade, transportation, communication, and utilities (WTCU) at 6%, and government (2%).

When compared to the entire County, the South County Subarea is more dependent on agriculture/resource and education jobs and has less FIRES, wholesale, and government jobs. The Subarea is more dependent on blue-collar jobs (36%) than the rest of the County (31%). The Subarea and the County have approximately 20% employment in service jobs. Both the Subarea (44%) and the County (49%) lag behind the State (61%) in white-collar employment. Between 2002 and 2007 Lewis County job growth (0.8%) and wages (\$33,300) lagged behind the entire State (2.1% and \$45,000).

Economic Development Demand Opportunities

Given the Subarea's proximity to road, rail, and air transportation infrastructure, there are opportunities for economic development in South Lewis County. These economic development opportunities fall into different markets, with different demands and with unique advantages and disadvantages. The South Lewis County Regional Market Analysis (SLCRMA) identified eight potential industrial, commercial, and tourism development opportunities for the South Lewis County Subarea.

The SLCRMA identifies four potential industrial uses for the Subarea: manufacturing, distribution, transportation/logistics, and business park.

- **Manufacturing:** While declining nationally, manufacturing has growth potential for specific communities. These potentials are greatest for counties, like Lewis County, that are less urban but in good proximity to major global pathway metro areas such as Portland and Seattle-Tacoma. In order to be competitive, Lewis County must offer outstanding freight transportation capabilities; available, skilled, and reasonable cost labor; and large, competitively priced industrial sites with available infrastructure and no major environmental constraints.
- **Distribution:** Between 2002 and 2006, jobs in wholesale trade and distribution increased by 3.3% per year in Washington. The demand for Distribution Centers (DCs) has shifted to places like Lewis County, outside of the core metro areas, with large sites, and access to transportation infrastructure. DCs add to the tax base, create high wage

jobs, and can set the stage for further development. However, DCs require large sites, employee few people, create aesthetic concerns, and have the potential to create environmental impacts.

- **Transportation/Logistics:** Transportation and logistics developments are more of a long-term option than a short-term solution. There is not much demand for air cargo facilities. To secure a regionally significant facility, it would be necessary to assemble hundreds of acres of industrial land near rail and the highway. However, small-scale, geographically dispersed transportation and logistics projects are a possibility in South County. This strategy will require time, public and government support, and private investment to implement.
- **Business Park:** This use supports small industrial, commercial, and retail businesses in 1 or 2 story buildings on 5 to 50+ acre sites. This can address the needs of small business, provide an opportunity for the growth of local businesses, and be phased to match demand. Due to the lack of perceived demand, a business park is only a long-term option once market demand has been established.

The SLCRMA discusses three different commercial development uses for the Subarea: office space, interchange retail, and local-serving retail.

- **Office Space:** The two sources for office demand include locally generated demand (offices serving local population) and externally generated demand (offices that serve outside populations, such as data or call centers). There is not expected to be demand for externally generated office uses in the near future. Local generated demand will grow slowly as population and employment grow in South County. Therefore, there is not expected to be a large increase in demand for offices in South County.
- **Interchange Retail:** This use includes auto-oriented businesses near the highway that serve both travelers and the local population. Interchange retail includes businesses like fast food, coffee shops, sit-down dining, hotel/motels, auto parts and maintenance shops, gift shops, farm supplies, banks, and visitor information. The first wave of this type of development could occur within 3 to 5 years, with small 5 to 10 acres commercial uses anchored by service stations and convenience stores. The second wave of development could occur in the next 10 to 20 years based on the momentum of the first wave.
- **Local-Serving Retail:** According to a study of retail leakage, South County could support 75,000 square feet of locally supported retail. However, additional population and employment is required to meet minimum store size thresholds. Population and job growth will support interchange retail because it is central to the South County population in the three cities and captures visitor demand.
- **Tourism Development:** For this Subarea, this type of development would mean a destination attraction that can change tourist visitation to South County from pass-through to stay-over. Tourism destinations include Mount St. Helens National Volcanic Monument, Winlock Waters, various community events and attractions, and outdoor recreation activities.

Lewis County Industrial Land Supply

The 2005 Lewis County Industrial Lands Analysis Update by E. D. Hovee & Company states that of the 1,900 acres of available industrial land in Lewis County, approximately 1,340 are located within cities or their UGAs. According to the report, all but 450 acres of the 1,900 acres have some variation of wetland or floodplain issues or other constraints. There are currently no vacant industrially zoned sites greater than 100 acres and only two sites 50-99.9 acres (totaling 130 acres) that are free and clear of environmental constraints. This factor significantly limits Lewis County's ability to attract larger industrial uses, such as another Cardinal Glass or major distribution centers.

Employment Growth and Land Demand

The South County Regional Market Analysis (SCLRMA) analyzed two different scenarios for future employment growth and associated land demand. The first scenario was predicated on the continuation of recent trends with relatively weak market capture by Lewis County of I-5 corridor employment growth. The second scenario assumed that Lewis County will stimulate economic development in South County through the adoption of policies and regulations pursuant to the South Lewis County Subarea Plan. As a result, the Steering Committee elected to use the findings of the analysis for the second scenario to develop the land use recommendations in the Subarea Plan. Tables 4.2 and 4.3 show employment and land acreage forecasts for this scenario.

Table 4.2: South County Employment Forecasts

Type of Jobs	Number of Jobs		
	2010-15	2015-30	2010-30
Industrial	390	2,530	2,920
Retail/Commercial	235	1,710	1,945
Tourism	105	755	860
Total Jobs	730	4,995	5,725

Source: E. D. Hovee & Company

Developable land needs to be in place to facilitate the businesses that will create the job growth. The SCLRMA predicts a need of about 1,000 net acres by 2030. The largest need for land is for industrial use.

Table 4.3: South County Land Requirements

Land Use	Net Acres of Land		
	2010-15	2015-30	2010-30
Industrial	97	632	730
Retail/Commercial	14	105	119
Tourism	67	64	130
Total Acres	178	801	979

Source: E. D. Hovee & Company

These land requirements are for net acres of land, which excludes: land required to be set aside for environmentally sensitive lands, a market factor, and long-term land reserves. As a result, the County will need to designate more than the net land requirements. While the gross/net ratio varies based on land-use type and location, for the purpose of this study, a ratio of three gross acres per one net acre was used. Therefore, in rounded numbers, South County may require approximately 3,000 gross acres of land to meet predicted development demand.

Alternatives Considered

Attracting economic development to South County will require available land with urban infrastructure. There is existing developable land within the three existing UGAs in the Subarea, especially the Winlock UGA, but infrastructure is currently not available in all locations. The Steering Committee engaged in a process to identify locations where growth within the Subarea could occur and generated a number of alternatives scenarios for comparison. Generally, the alternatives involve expansion of existing UGAs and/or creation of new UGAs in locations where the estimated demand for urban land exceeds the current development capacities of the cities and UGAs. ---

There are currently four UGAs in the Subarea: those associated with Toledo, Vader, and Winlock, and a County UGA (located on Avery Road W. approximately 2 miles west of I-5). The Winlock UGA includes approximately 500 acres of industrially zoned land and 100 acres of commercially zoned land adjacent to I-5 at Exit 63. The County UGA was created for the Cardinal Glass industrial development and is substantially developed. According to Lewis County Assessor's data, there are approximately 207 acres of vacant commercial and mixed-use land and 503 acres of vacant industrial land within the Winlock UGA. A 32 acre parcel in Vader is adjacent to both rail and highway.

Preliminary Alternatives Analysis

The 2009 Phase One process analyzed a potential market demand for 800 acres of industrial and commercial land in South County by 2030, broken down by the following net acres, rounded to the nearest 100:

- 600 acres for industrial uses (including manufacturing, processing, warehousing, and transportation uses;
- 100 acres for retail and service business uses; and
- 100 acres for tourism-related uses.

In order to arrive at this net demand, the estimated gross land area could be as much as 3,000 acres in order to accommodate public infrastructure, critical areas and other open spaces, and a

market factor that acknowledges that some land will not be available for development. The market analysis did not forecast a demand for future urban residential developments, because the Cities' comprehensive plans will be the basis for accommodating urban residential growth.

During Phase One, sites were identified throughout South County as potential future urban growth areas to meet the demand. The principles used to do this were:

Sites Should Have:	And	Sites Should Support Development That:
Logical Locations		Avoids Impacts – or
Appropriate Access		Minimize Impacts – or
Large Parcels		Mitigates Impacts

The Phase One report described sites that were felt to meet the first 3 principles. At that time, no detailed analysis of the actual development potential within the sites was completed. The Phase One process also included analyses of the subarea hydrology and wildlife habitat conditions by the state Departments of Ecology and Fish and Wildlife. Late in 2009, the Board of County Commissioners adopted new land use designations and zoning for Agricultural Resource Lands (ARL) throughout the county. These actions set the stage for the next round of Subarea planning and site analysis.

Secondary Alternatives Analysis

Using additional reports on hydrology, prime habitat, and agricultural resource lands, the land use concept for the South County Subarea was refined. Six areas were studied using the available County and State data.

- Frost Road
- Highway 12 & I-5 Eastside
- Highway 12 & Westside
- SR 505 & I-5
- SR 506 & I-5
- Toledo

Within these areas, concentrations of land that meet the criteria for urban scale development were identified. It was assumed that site constraints such as critical areas, existing development, or parcel size would require more land (gross acreage) to be designated in order to achieve a resulting net acreage that would coincide with the market analysis. Parcel size, ownership, topography, critical areas, priority habitat areas, existing development, and existing wells were mapped for each area.

Preferred Committee Alternative

Industrial Areas

Of the 600 net acre demand identified by market analysis, the industrial portion of the Winlock UGA would supply approximately 250-300 acres using the SLCRMA deduction factors for infrastructure, critical areas, and market factor. Therefore, the Subarea Plan should designate approximately 300-350 additional net acres as industrial UGA, which computes to approximately 900-1,000 gross acres, depending upon the actual characteristics of the land.

The Preferred Committee Alternative identifies a potential industrial UGA location totaling approximately 500-600 gross acres, most of which is not constrained by known critical areas. The "SR 505 – Jackson Highway Area" is located north of the SR 505/Jackson Highway intersection and slightly more than one mile east of I-5. (See Figures 4.2 and 4.3)

Regional Retail and Services Center/Tourism-Related UGA

The market demand of 100 net acres for regional retail and services center and the 100 net acres for tourism-related could be met by designating a new Economic Development UGA for mixed retail, commercial, and tourist uses. This UGA should be designated at Exit 63 ("SR 505 Area"), east of Interstate 5 and north and south of SR 505 and would total approximately 280 gross acres. Portions of the Winlock UGA at this interchange could also be used for regional retail/services and tourism related uses. (See Figure 4.4)

Urban Reserve Areas

The Preferred Committee Alternative also identifies a potential 430 gross acre Urban Reserve Area designation on both sides of I-5 at Exit 60 adjacent to SR 506. This designation would overlay the current rural zoning and would restrict subdivisions from creating lots smaller than 20 acres until planning for urban services and facilities can be executed.

Implementation

The current Comprehensive Plan does not provide a basis for designating new Economic Development UGAs which can accommodate the uses discussed Subarea Plan. The current Comprehensive Plan designations limit most of these economic development uses to existing small rural areas (called Limited Areas of More Intensive Rural Development, or LAMIRDs). While the current Comprehensive Plan policies do not specifically prohibit or discourage Economic Development UGAs, Lewis County's practice has been to rely on the cities to propose UGAs or UGA expansions. Comprehensive Plan Policies LU 8.1, LU 8.2 and LU 8.3 do set the stage for *"designating sites for industrial uses," "maintaining an adequate supply of prime industrial land within designated urban growth areas," and "allowing designation of Major Industrial Developments and Master Planned Locations outside of UGAs."*

Comprehensive Plan policies should be adopted that will allow for the designation of Economic Development UGAs through a subarea planning process in which:

- The Subarea Plan has identified locations suited to major industrial, mixed use retail/commercial, or regional tourist-oriented uses due to proximity to transportation or resource assets, parcel sizes, and land suitability for intensive development.
- A programmatic environmental review of the Subarea Plan has been completed.
- An economic/market analysis has concluded that the 20-year supply of developable urban land is inadequate to meet future demand.
- Development regulations for review and approval of specific economic development projects through a binding site plan have been adopted to ensure that:
 - urban growth will not occur in adjacent rural and resource lands;
 - development is consistent with the county's critical area regulations;
 - infrastructure requirements are identified and provided concurrent with development(such infrastructure, however, may be phased in with development);
 - and provisions for addressing environmental protection have been made.

- A mechanism for using development credits from subarea rural or resource lands has been established to increase the development capacity of the UGA.
- Preservation of critical areas and resource lands has been planned for.

Implementation of the Preferred Alternative will also require adoption of provisions in the Comprehensive Plan that will enable designation of Urban Reserve Areas (URA). The URA overlay is intended to be applied and implemented through later development, only in those cases where ensuing development can provide a significant number of family wage employment opportunities in an environmentally sensitive manner, and in cases where current market conditions and/or infrastructure and service provisions do not warrant initial designation or development of such uses. The Urban Reserve Area overlay should be applied at sites well served by existing or planned transportation systems or adjacent to uses that promote economic development.

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Figure 4.1: Development Suitability

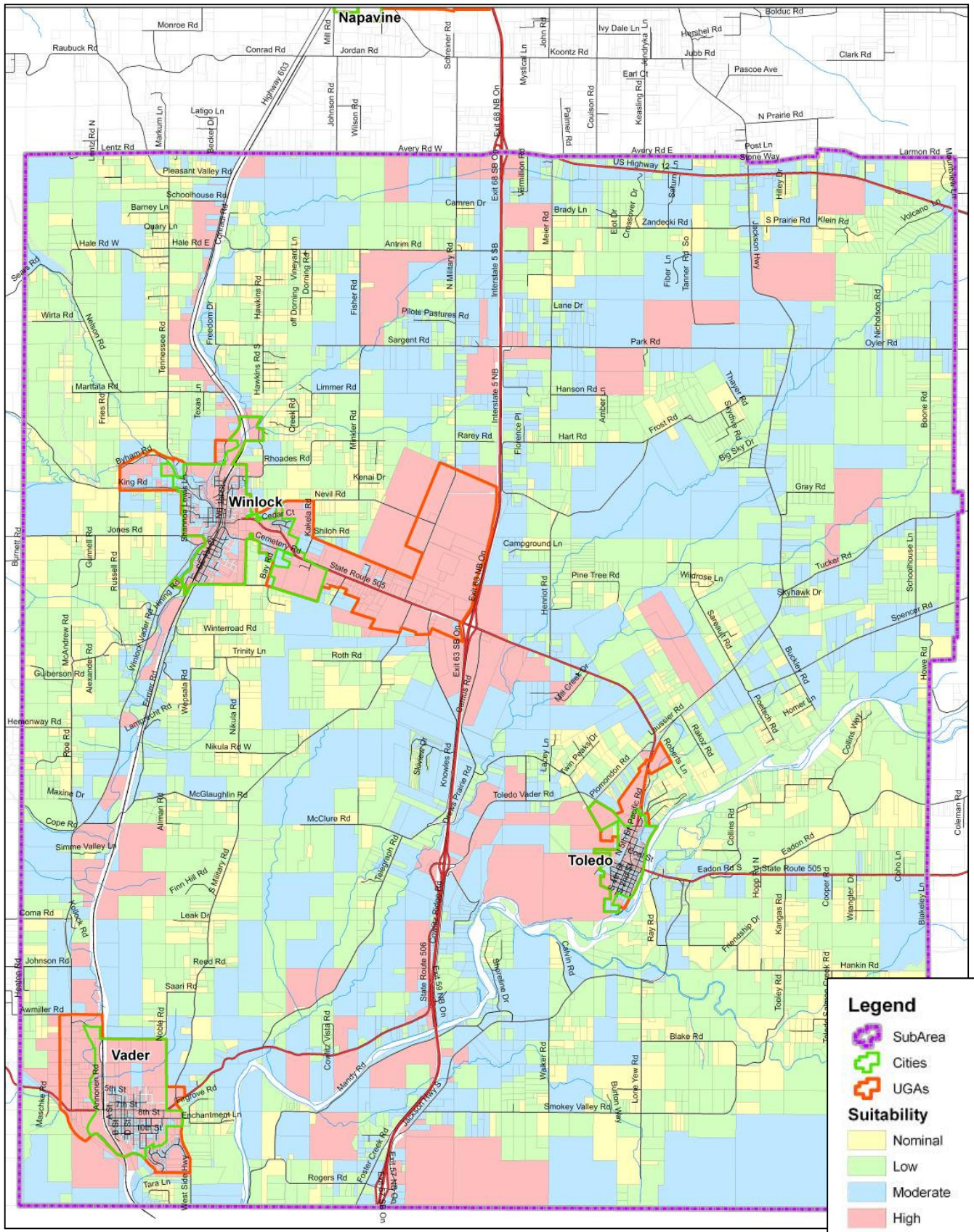


Figure 4.2: Preferred Committee Alternative

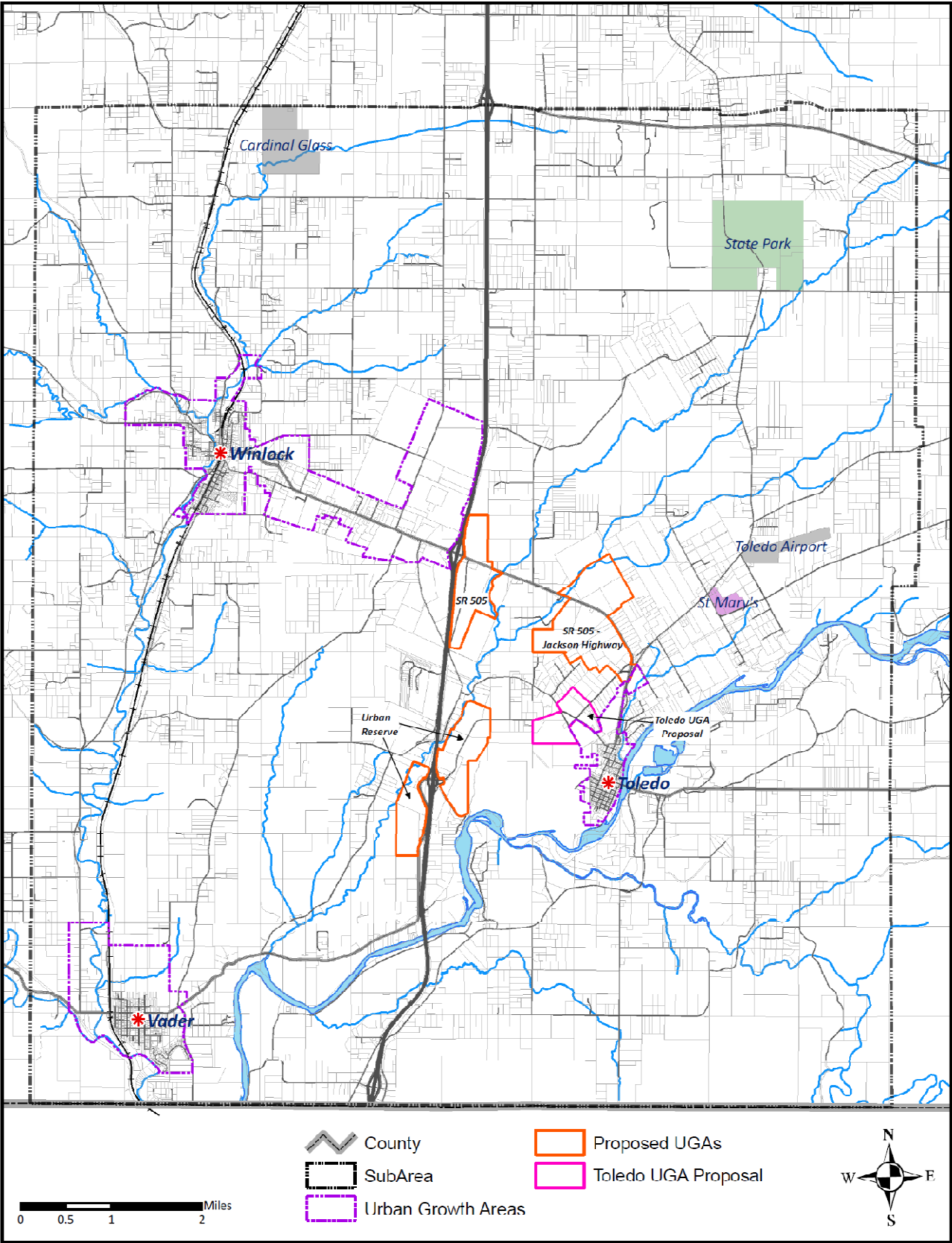


Figure 4.3: Proposed Economic Development UGA SR 505 and Jackson Highway

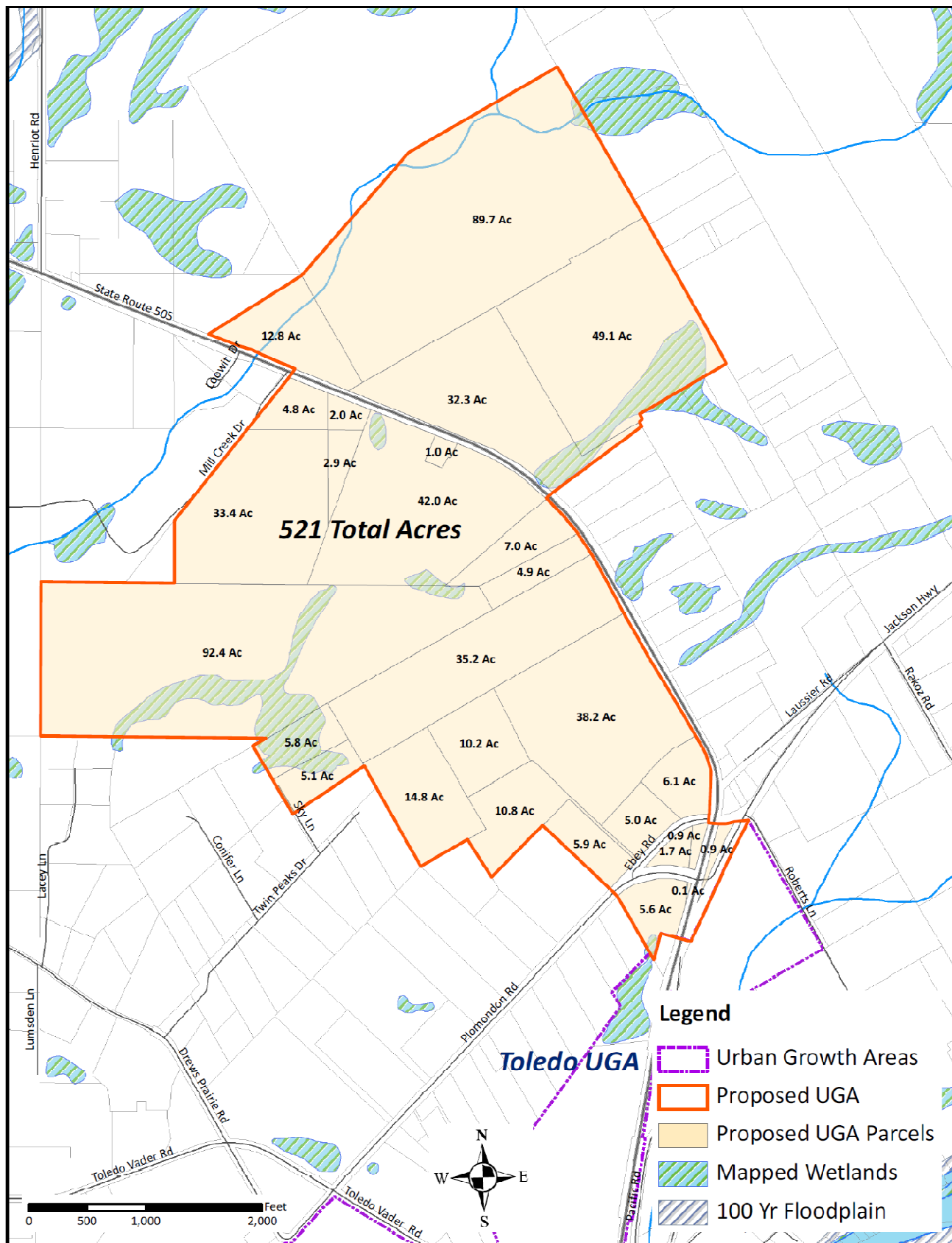


Figure 4.4 Proposed Economic Development UGA SR 505 and Interstate 5

